



# LETTER AGREEMENT NO. 02-39-PGE



PACIFIC GAS AND ELECTRIC COMPANY  
INDUSTRIAL RELATIONS DEPARTMENT  
2850 SHADELANDS DRIVE, SUITE 100  
WALNUT CREEK, CALIFORNIA 94598  
(925) 974-4104

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO  
LOCAL UNION 1245, I.B.E.W.  
P.O. BOX 4790  
WALNUT CREEK, CALIFORNIA 94596  
925-933-6060

STEPHEN A. RAYBURN  
DIRECTOR AND CHIEF NEGOTIATOR

PERRY ZIMMERMAN  
BUSINESS MANAGER

August 28, 2002

Local Union No. 1245  
International Brotherhood of  
Electrical Workers, AFL-CIO  
P.O. Box 4790  
Walnut Creek, CA 94598

Attention: Mr. Perry Zimmerman, Business Manager

Dear Mr. Zimmerman:

The Company proposes to change the flexible spending account manager for dependent and health care account reimbursements from Blue Shield to UnitedHealthcare effective January 1, 2003. Benefits to making this change include, but are not limited to:

- UnitedHealthcare will process reimbursement checks on a weekly basis provided the threshold amount of \$25 is met.
- UnitedHealthcare provides direct deposit of reimbursement checks after a participant's initial request.
- Members of a plan administered by UnitedHealthcare can elect to have their out-of-pocket expenses (copayments, coinsurance, deductibles, etc.) automatically forwarded from the medical claims processing system to the spending account claims processing system.
- UnitedHealthcare spending account members will be able to see their claims status on the internet.

The Company also proposes increasing the health care reimbursement limit to \$5,000 with a minimum of \$50 per year.

This change does not prohibit the Company and Union from selecting a new health care vendor and flexible spending account manager should they chose to do so in the future.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided and return one executed copy of this letter to the Company.

Very truly yours,

PACIFIC GAS & ELECTRIC COMPANY


By: \_\_\_\_\_

  
Stephen A. Rayburn  
Director and Chief Negotiator

The Union is in accord with the foregoing and agrees thereto as of the date hereof.

LOCAL UNION NO. 1245, INTERNATIONAL  
BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

By: \_\_\_\_\_

  
Perry Zimmerman  
Business Manager

Aug 29, 2002